

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7847

BILL NUMBER: SB 417

NOTE PREPARED: Mar 21, 2005

BILL AMENDED: Feb 1, 2005

SUBJECT: Appraisal and Survey of DOC-Controlled Real Estate.

FIRST AUTHOR: Sen. Lawson C

FIRST SPONSOR: Rep. Thomas

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill has the following provisions:

- A. It requires the Department of Administration to: (1) hire or use a staff member who is a registered land surveyor to survey; and (2) hire a real estate appraiser to appraise; certain real property in LaPorte County and Putnam County that is owned by the state and under the control of the Department of Correction (DOC).
- B. It requires reports to be filed with the Legislative Council concerning the survey and appraisal of the DOC-controlled property that could be sold.
- C. It allows the DOC to refuse to sell certain property.

Effective Date: Upon passage.

Explanation of State Expenditures: *Real Estate Appraisers and Land Surveyors:* According to the November 4, 2004, staffing report, the Department of Administration has no real estate appraisers or land surveyors. Consequently, any added costs will depend on the arrangements made with other outside contractors. Under IC 5-22-6, there is no requirement that the Department of Administration issue a Request for Proposal for personal services.

Putnamville Correctional Facility (Putnam County): There are 25 residential houses at Putnamville. For 20 of the houses, the utility expenditures are estimated at \$200 per month per house. The remaining five houses are estimated to use \$300-\$500 per month per house for utilities. The annual maintenance costs, because of the current conditions of the houses, are estimated to be between \$6,000 and \$12,000 per unit. In FY 2003, \$56,000 was spent to rehabilitate residential property in need of repair.

Westville Correctional Facility (LaPorte County): There are 37 residential units at Westville including 8 three-bedroom houses, 4 two-bedroom houses, 24 two-bedroom duplexes, and one superintendent's house. The electric heat, water, and waste treatment for these houses are included in the facility's costs. The estimated annual utility cost is \$4,000 per unit per year. Maintenance in FY 2003 required 719.5 hours of labor and \$4,407 of supplies. Some supplies, however, were bought in bulk, lowering the overall cost.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Administration; Department of Correction; Legislative Council.

Local Agencies Affected:

Information Sources: Kathy Lisby, Department of Correction.

Fiscal Analyst: Mark Goodpaster, 317-232-9852.